

Town of Coventry

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OFFICE OF THE TOWN MANAGER
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March 7, 2016

To the Insurance and Real Estate Committee,

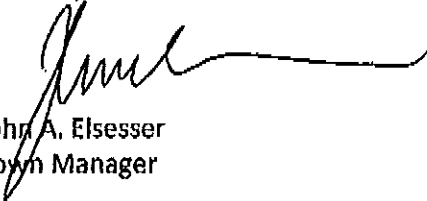
As Town Manager of the Town of Coventry, I am supportive of all legislative efforts to assist homeowners facing concerns associated with crumbling concrete foundations. I urge the passage of H.B. 5591 - An Act Authorizing Catastrophe Savings Accounts for Homeowners Insurance Policyholders; and H.B. 5522 - An Act Concerning Homeowners Insurance Policies and Coverage for the Peril of Collapse, or any similar bills to provide relief.

Thousands of residences in eastern Connecticut are potentially impacted by this problem, leaving homeowners with a devastating decision - whether to walk away from their homes or spend their life savings to make the necessary repairs. A number of Coventry homeowners have reached out to us with this concern and they are counting on all levels of government for support and timely solutions to this crisis. The problem does not stop at their door. It has the potential to ripple through our economy in countless ways - affecting the ability of homeowners to get insurance coverage, causing default on mortgages, rendering homes unsaleable, reducing the value of towns' grand lists and causing additional undue burden on property taxpayers to maintain town budgets. Not to mention the safety aspects of having your house literally crumbling beneath your feet.

For most people, their homes are their largest investment. We must require the insurance companies to stand behind the policies that have been carried for years by these homeowners and provide coverage for the peril of collapse and mitigation. We must also be concerned about the increase in premiums insurance companies are assessing homeowners in this part of the state in preparation for potentially being required to cover this liability.

The Town of Coventry looks forward with continuing to work with the State in finding a rapid solution to this most significant housing crisis.

Sincerely,



John A. Elsesser
Town Manager